

Senate File 246 - Introduced

SENATE FILE 246
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO SSB 1143)

A BILL FOR

1 An Act providing for the department of agriculture and land
2 stewardship's administration of programs regarding a
3 conservation practices revolving loan fund, the state
4 metrologist, pesticide regulation, and motor fuel standards.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

SOIL AND WATER CONSERVATION DISTRICTS

1
2
3 Section 1. Section 161A.71, subsection 1, Code 2013, is
4 amended to read as follows:

5 1. The division may establish a conservation practices
6 revolving loan fund composed of any money appropriated by the
7 general assembly for that purpose, and of any other moneys
8 available to and obtained or accepted by the committee from
9 the federal government or private sources for placement in
10 that fund. Except as otherwise provided by subsection 3,
11 the assets of the conservation practices revolving loan fund
12 shall be used only to make loans directly to owners of land in
13 this state for the purpose of establishing on that land any
14 new permanent soil and water conservation practice which the
15 commissioners of the soil and water conservation district in
16 which the land is located have found is necessary or advisable
17 to meet the soil loss limits established for that land. A
18 loan shall not be made for establishing a permanent soil and
19 water conservation practice on land that is subject to the
20 restriction on state cost-sharing funds of section 161A.76.
21 Revolving loan funds and public cost-sharing funds ~~shall not~~
22 may be used in combination for funding a particular soil and
23 water conservation practice. Each loan made under this section
24 shall be for a period not to exceed ten years, shall bear no
25 interest, and shall be repayable to the conservation practices
26 revolving loan fund in equal yearly installments due March 1 of
27 each year the loan is in effect. The interest rate upon loans
28 for which payment is delinquent shall accelerate immediately
29 to the current legal usury limit. Applicants are eligible for
30 no more than ~~ten~~ twenty thousand dollars in loans outstanding
31 at any time under this program. "*Permanent soil and water*
32 *conservation practices*" has the same meaning as defined in
33 section 161A.42 and those established under this program are
34 subject to the requirements of section 161A.7, subsection 3.
35 Loans made under this program shall come due for payment upon

1 sale of the land on which those practices are established.

2 DIVISION II

3 WEIGHTS AND MEASURES

4 Sec. 2. Section 213.1, Code 2013, is amended to read as
5 follows:

6 **213.1 State metrologist.**

7 The department ~~shall~~ may designate one of its assistants to
8 act as state metrologist of weights and measures. All weights
9 and measures sealed by the state metrologist shall be impressed
10 with the word "Iowa."

11 DIVISION III

12 MOTOR FUEL STANDARDS

13 Sec. 3. Section 214A.1, subsection 23, Code 2013, is amended
14 to read as follows:

15 23. "*Standard ethanol blended gasoline*" means ethanol
16 blended gasoline for use in gasoline-powered vehicles ~~other~~
17 ~~than~~ not required to be flexible fuel vehicles, that meets the
18 requirements of section 214A.2.

19 Sec. 4. Section 214A.2, subsection 2, paragraphs a and b,
20 Code 2013, are amended by striking the paragraphs.

21 Sec. 5. Section 214A.2, subsection 3, paragraph b,
22 subparagraph (2), unnumbered paragraph 1, Code 2013, is amended
23 to read as follows:

24 Gasoline blended with ethanol must meet ~~any of the following~~
25 requirements established by rules adopted in part or in whole
26 based on A.S.T.M. international specification D4814, including
27 as follows:

28 Sec. 6. Section 214A.2, subsection 3, paragraph b,
29 subparagraph (4), Code 2013, is amended to read as follows:

30 (4) For standard ethanol blended gasoline, it must be
31 ethanol blended gasoline classified as any of the following:

32 (a) From E-9 or E-10 to E-15, if the ethanol blended
33 gasoline meets the standards for that classification as
34 otherwise provided in this paragraph "b".

35 (b) Higher than ~~E-10~~ E-15, if authorized by the department

1 pursuant to approval for the use of that classification of
2 ethanol blended gasoline in this state by the United States
3 environmental protection agency, by granting a waiver or the
4 adoption of regulations.

5 Sec. 7. Section 214A.7, Code 2013, is amended to read as
6 follows:

7 **214A.7 Department inspection — samples tested.**

8 The department shall, from time to time, make or cause to be
9 made tests of any motor fuel or biofuel which is being sold,
10 or held or offered for sale within this state. A departmental
11 inspector may enter upon the premises of a dealer and take from
12 any container a sample of the motor fuel or biofuel, not to
13 exceed ~~sixteen fluid ounces~~ one gallon. The sample shall be
14 sealed and appropriately marked or labeled by the inspector and
15 delivered to the department. The department shall make, or
16 cause to be made, complete analyses or tests of the motor fuel
17 or biofuel by the methods specified in section 214A.2.

18 Sec. 8. Section 214A.16, subsection 1, Code 2013, is amended
19 to read as follows:

20 1. *a.* If ethanol blended gasoline is sold from a motor
21 fuel pump, the motor fuel pump shall have affixed a decal
22 identifying the ethanol blended gasoline.

23 *b.* If the motor fuel pump dispenses ethanol blended gasoline
24 classified as E-11 to E-15 for use in gasoline-powered vehicles
25 not required to be flexible fuel vehicles, the motor fuel pump
26 shall have affixed a decal as prescribed by the United States
27 environmental protection agency.

28 *c.* If the motor fuel pump dispenses ethanol blended gasoline
29 classified as higher than standard ethanol blended gasoline
30 pursuant to section 214A.2, the decal shall contain the
31 following notice:

32 FOR FLEXIBLE FUEL VEHICLES ONLY.

33 ~~*b.*~~ *d.* If biodiesel fuel is sold from a motor fuel pump,
34 the motor fuel pump shall have affixed a decal identifying the
35 biodiesel fuel as provided in 16 C.F.R. pt. 306.

1 Sec. 9. REPEAL. Section 214A.9, Code 2013, is repealed.

2 DIVISION IV

3 PESTICIDE REGULATION

4 Sec. 10. Section 206.13, subsection 2, Code 2013, is amended
5 to read as follows:

6 2. The amount of the evidence of financial responsibility
7 as provided for in this section shall be not less than ~~two~~ one
8 hundred ~~fifty~~ thousand dollars for property damage and public
9 liability insurance, each separately, or liability insurance
10 with limits of one hundred thousand dollars per occurrence and
11 three hundred thousand dollars annual aggregate. The evidence
12 of financial responsibility shall be maintained at not less
13 than that amount at all times during the licensed period. The
14 department shall be notified ten days prior to any reduction in
15 the surety bond or liability insurance made at the request of
16 the applicant or cancellation of the surety bond by the surety
17 or the liability insurance by the insurer. The department
18 shall be notified ninety days prior to any reduction of the
19 amount of the irrevocable letter of credit at the request of
20 the applicant or the cancellation of the irrevocable letter of
21 credit by the financial institution. The total and aggregate
22 liability of the surety, insurer, or financial institution for
23 all claims shall be limited to the face of the surety bond,
24 liability insurance policy, or irrevocable letter of credit.

25 EXPLANATION

26 GENERAL. This bill amends a number of provisions relating
27 to the functions of the department of agriculture and land
28 stewardship.

29 DIVISION I — SOIL AND WATER CONSERVATION DISTRICTS. The
30 bill amends a provision which establishes a conservation
31 practices revolving loan fund within the soil conservation
32 division, to be used only to make loans directly to owners
33 of land for the purpose of establishing new permanent soil
34 and water conservation practices. The bill provides that
35 revolving loan fund moneys may be used in combination with

1 public cost-sharing moneys. The bill increases the amount that
2 an owner may receive under the program from \$10,000 to \$20,000.

3 DIVISION II — WEIGHTS AND MEASURES. The bill amends a
4 provision that requires the department to designate one of
5 its assistants to act as the state metrologist of weights
6 and measures. Specifically, the bill provides that such
7 designation is discretionary.

8 DIVISION III — MOTOR FUEL STANDARDS. The bill amends a
9 number of provisions relating to motor fuel standards (Code
10 section 214A.2). It eliminates octane standards for leaded
11 gasoline.

12 The bill also provides for gasoline that contains a certain
13 percentage of ethanol. Ethanol blended gasoline is designated
14 E-xx where "xx" is the volume percent of ethanol in the ethanol
15 blended gasoline.

16 Currently, the term "standard ethanol blended gasoline"
17 refers to ethanol blended gasoline that is used to power
18 vehicles other than flexible fuel vehicles (Code section
19 214A.1). Generally, standard ethanol blended gasoline must
20 contain between 9 and 10 percent ethanol by volume (so-called
21 E-10). However, it may also contain a higher percentage as
22 authorized by the department as long as it is approved by the
23 United States environmental protection agency (EPA) (Code
24 section 214A.2). The bill provides that such gasoline is for
25 use in gasoline-powered vehicles not required to be flexible
26 fuel vehicles. It also increases the percentage of ethanol
27 allowed in standard ethanol blended gasoline to 15 percent
28 by volume (E-15). The department may still increase the
29 percentage if authorized by the department with approval by the
30 EPA.

31 The department is required to test samples of motor fuel or
32 biofuels to ensure that they comply with the standards. It
33 increases the maximum sample size from 16 fluid ounces to one
34 gallon (Code section 214A.7). The bill eliminates a provision
35 allowing a retail dealer of motor fuel to post a notice showing

1 the results of the tests (Code section 214A.9).

2 The bill amends a provision which requires a decal be affixed
3 to a motor fuel pump notifying consumers that it is dispensing
4 ethanol blended gasoline (Code section 214A.16). The bill
5 provides that a motor fuel pump dispensing ethanol blended
6 gasoline containing a percentage of ethanol ranging between 11
7 and 15 percent (E-11 to E-15) must be affixed with a decal as
8 prescribed by EPA.

9 DIVISION IV — PESTICIDE REGULATION. The bill amends a
10 provision which requires a commercial applicator of pesticides
11 to be licensed. Such person must provide evidence of financial
12 security (Code section 206.13). The evidence of financial
13 responsibility is an established amount for property damage
14 and public liability insurance. In 2012, the General Assembly
15 enacted SF 2311 (2012 Iowa Acts, chapter 1095) which increased
16 the amount from \$50,000 to \$250,000. This bill decreases that
17 amount to \$100,000 and allows for liability insurance with a
18 limit of \$100,000 per occurrence and \$300,000 annual aggregate.